

SHIRLI FABBRI WEISS (Bar No. 079225)
DAVID PRIEBE (Bar No. 148679)
JEFFREY B. COOPERSMITH (Bar No. 252819)

DLA PIPER US LLP

2000 University Avenue
East Palo Alto, CA 94303-2248
Tel: (650) 833-2000
Fax: (650) 833-2001
Email: shirli.weiss@dlapiper.com
Email: david.priebe@dlapiper.com
Email: jeff.coopersmith@dlapiper.com

ELLIOT R. PETERS (Bar No. 158708)
STUART L. GASNER (Bar No. 164675)

KEKER & VAN NEST LLP

710 Sansome Street
San Francisco, CA 94111
Tel: (415) 391-5400
Fax: (415) 397-7188
E-mail: EPeters@KVN.com
E-mail: SGasner@KVN.com

Attorneys for Defendant
KENNETH L. SCHROEDER

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

KENNETH L. SCHROEDER,

Defendant.

No. C 07 3798 JW

**DECLARATION OF
JEFFREY B. COOPERSMITH**

Date: July 15, 2008

Time: 10:00 a.m.

Courtroom: 8

Judge: Magistrate Judge Howard R. Lloyd

1 I, Jeffrey B. Coopersmith, declare as follows:

2 1. I am an attorney licensed to practice law in the State of California and am admitted
3 to practice before this honorable Court. I am one of the attorneys representing Defendant
4 Kenneth L. Schroeder in this case.

5 2. As part of its October 3, 2007 initial disclosures under Federal Rule of Civil
6 Procedure 26(a), the SEC produced to Mr. Schroeder nearly 82,000 pages of documents that it
7 was given by KLA during the course of its investigation in this case. Included among those
8 documents were memoranda purporting to reflect interviews of at least 55 witnesses by Skadden,
9 Arps, Slate, Meagher & Flom LLP, attorneys for the Special Committee of the Board of Directors
10 of KLA-Tencor Corporation ("KLA"). The interview memoranda that the SEC produced to
11 Mr. Schroeder principally reflected interviews of current and former directors, officers and other
12 employees of KLA, but also included interviews of former KLA General Counsel Stuart J.
13 Nichols and of Brett DiMarco and Roger Stern, attorneys at Wilson Sonsini Goodrich & Rosati,
14 KLA's former outside counsel.

15 3. Attached as Exhibit 1 hereto is a true and correct copy of Siobhan Hughes, *3rd*
16 *UPDATE: SEC Charges Former KLA-Tencor CEO In Backdating*, Wall Street Journal Online,
17 July 25, 2007.

18 4. Attached as Exhibit 2 hereto is a true and correct copy of a press release issued by
19 the Securities and Exchange Commission: SEC Charges Former KLA-Tencor CEO With Fraud
20 For Improper Stock Options Backdating: Commission Also Settles Claims Against KLA-Tencor,
21 SEC Litig. Release No. 20207 (July 25, 2007), obtained from the SEC's website

22 5. Attached as Exhibit 3 hereto are true and correct excerpts of KLA-Tencor
23 Corporation's Annual Report (Form 10-K) (Jan. 29, 2007), obtained from the 10-K Wizard
24 website.

25 6. Attached as Exhibit 4 hereto is a true and correct copy of KLA-Tencor
26 Corporation's Current Report (Form 8-K) (May 24, 2006), obtained from the 10-K Wizard
27 website.

1 7. Attached as Exhibit 5 hereto is a true and correct copy of a letter from Michael
2 Matthew Haut, Morgan Lewis & Bockius LLP ("MLB"), to the SEC, dated June 29, 2007, and
3 true and correct excerpts of a PowerPoint presentation on the stationary of MLB, which I selected
4 from the PowerPoint presentation enclosed with the letter. This exhibit was produced by the SEC
5 as part of its initial disclosures under Federal Rule of Civil Procedure 26(a) on October 3, 2007,
6 and I selected excerpts of the PowerPoint presentation to illustrate points that MLB made about
7 the nature and extent of KLA's cooperation with the SEC in its investigation of KLA's stock
8 option grant practices.

9 8. Attached as Exhibit 6 hereto is a true and correct copy of a Confidentiality
10 Agreement between KLA and the SEC, dated October 12, 2006, which was provided to me by the
11 SEC.

12 9. Attached as Exhibit 7 hereto is a true and correct copy of the transcript of the
13 deposition of Stuart J. Nichols, taken January 27, 2008.

14 10. Attached as Exhibit 8 hereto is a true and correct copy of the Consent of Defendant
15 KLA-Tencor Corporation to Entry of Final Judgment, *SEC v. KLA-Tencor Corp.*, No. C 07-3799
16 (N.D. Cal. July 25, 2007).

17 11. Attached as Exhibit 9 hereto is a true and correct copy of the Subpoena for
18 Records to KLA-Tencor Corporation, dated October 19, 2007.

19 12. Attached as Exhibit 10 hereto is a true and correct copy of Third Party KLA-
20 Tencor Corporation's Amended and Supplemental Objections and Responses to Defendant's
21 Subpoena for Records, dated December 14, 2007.

22 13. Attached as Exhibit 11 hereto is a true and correct copy of a letter from Joseph E.
23 Floren to Shirli F. Weiss, dated December 14, 2007.

24 14. Attached as Exhibit 12 hereto is a true and correct copy of a Privilege Log for
25 Skadden and certain of its individual attorneys, which was provided to Mr. Schroeder on
26 December 14, 2007.

27 15. Attached as Exhibit 13 hereto is a true and correct copy of a Privilege Log for
28 Skadden attorney Elizabeth Harlan, which was provided to Mr. Schroeder on November 29, 2007.

1 16. Attached as Exhibit 14 hereto is a true and correct copy of a letter from Joseph E.
2 Floren to Shirli F. Weiss, dated January 24, 2008.

3 17. Attached as Exhibit 15 hereto is a true and correct copy of the Subpoena for
4 Records to Skadden, Arps, Slate, Meagher & Flom LLP, dated November 12, 2007.

5 18. Attached as Exhibit 16 hereto is a true and correct copy of the Subpoena for
6 Records to Elizabeth Harlan, dated November 7, 2007.

7 19. Attached as Exhibit 17 hereto is a true and correct copy of Non-Party Skadden,
8 Arps, Slate, Meagher & Flom LLP's Responses and Objections to Defendant Kenneth L.
9 Schroeder's Subpoena for Records, dated December 10, 2007.

10 20. Attached As Exhibit 18 hereto is a true and correct copy of Non-Party Elizabeth
11 Harlan's Responses and Objections to Defendant Kenneth L. Schroeder's Subpoena for Records,
12 dated November 21, 2007.

13 21. Attached as Exhibit 19 hereto is a true and correct copy of a letter from Matthew
14 Sloan to Shirli F. Weiss, dated December 27, 2007.

15 22. Attached as Exhibit 20 hereto is a true and correct copy of a letter from Matthew
16 Sloan to Shirli F. Weiss, dated December 3, 2007.

17 I declare under penalty of perjury that the foregoing is true and correct.

18 Executed on June 9, 2008.

19
20 /s/Jeffrey B. Coopersmith
21 Jeffrey B. Coopersmith
22
23

24 WEST\21427093.1
25
26
27
28